

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

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In Re

SPROUT MORTGAGE, LLC

Chapter 11

Case No: 23-72433

**NOTICE OF SETTLEMENT OF
ORDER**

Debtor.
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S I R S :

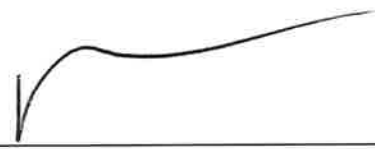
PLEASE TAKE NOTICE that the Stipulation and Order Granting Relief from the Automatic Stay of which the within is a true copy will be presented to the Honorable Louis A. Scarcella, Judge of the United States Bankruptcy Court, Eastern District of New York, 290 Federal Plaza, Centra Islip, New York 11722, on the 15th day of September, 2025 at 9:30 a.m. in the forenoon of that day.

Dated: Syosset, New York
August 21, 2025

Yours etc.,

BFSNG LAW GROUP, LLP

By:



Heath S. Berger, Esq.
6851 Jericho Turnpike, Suite 250
Syosset, New York 11791
(516) 741-1136

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

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In re:

Chapter 11

SPROUT MORTGAGE, LLC,

Case No: 23-72433-las

Debtor.

-----X

STIPULATION AND ORDER GRANTING RELIEF FROM THE AUTOMATIC STAY

This Stipulation and Order (the “Stipulation”) is entered into as of August 20, 2025 by and between Allan B. Mendelsohn, the Chapter 11 Trustee (the “Trustee”) in the above-captioned chapter 11 case, and Yosemite Capital, LLC, by its counsel BFSNG Law Group, LLP.

WHEREAS, on or about July 5, 2023, an involuntary petition was filed against Sprout Mortgage, LLC (“Sprout”); and

WHEREAS, on August 11, 2023, the Order for relief was entered by the Court; and

WHEREAS, by Order dated October 20, 2023, the Court converted the case from one under Chapter 7 of the Bankruptcy Code to one under Chapter 11 and Allan B. Mendelsohn was appointed Trustee and continues to serve in that capacity; and

WHEREAS, prior to the filing of the bankruptcy, Sprout held a mortgage on the property commonly known as 810 43rd Avenue, San Francisco, California 94121 (the “Real Property”); and

WHEREAS, a closing of title took place on May 4, 2022, (the “Closing”) at which Closing funds were wired to Sprout in the amount necessary to satisfy the existing mortgage secured by an interest in the Real Property; and

WHEREAS, when Yosemite Capital, LLC, the owner of the Real Property sought to sell the Real Property, the mortgage granted to Sprout appeared as an open and unsatisfied obligation and thus Yosemite Capital, LLC, was unable to convey the Real Property; and

WHEREAS, Yosemite Capital, LLC seeks relief from the automatic stay in order to clear title to the Real Property encumbered by a deed of trust in favor of Sprout, which deed of trust was fully satisfied prior to the filing of the instant bankruptcy but not reconveyed as of record; and

WHEREAS, Yosemite Capital, LLC, does not seek any additional affirmative relief against the Debtor, other than what has been described above; and

WHEREAS, the Trustee in the interest of judicial economy has agreed to stipulate to the relief set forth herein.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and between all of the undersigned, as follows:

1. The automatic stay pursuant to 11 U.S.C. §362(a) is hereby modified to permit Yosemite Capital, LLC to pursue record clearance or reconveyance of the deed of trust encumbering the Real Property, as the underlying obligation has been paid in full.
2. Yosemite Capital, LLC, shall not seek any other relief against the Debtor or the Debtor's estate.

Dated: Syosset, New York
August 20, 2025

BFSNG Law Group, LLP
Attorneys for Yosemite Capital, LLC

/s/ Heath S. Berger
Heath S. Berger, Esq.
6851 Jericho Turnpike, Suite 250
Syosset, New York 11791

Dated: Smithtown, New York
August 20, 2025

The Kantrow Law Group, PLLC
Attorneys for Allan B. Mendelsohn

BY: s/Hailey L. Kantrow
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SO ORDERED: